

United States District Court
Southern District of Texas
FILED

UNITED STATES DISTRICT COURT

for the

Southern District of Texas

MAY - 9 2013

United States of America)
v.)
1. Marcos Escobar (1971 Cuba))
2. Alexis Guzman (1975 Cuba))
3. Carlos Gonzalez (1981 Cuba))

Defendant(s)

David J. Bradley, Clerk of Court

Case No. M-13-0845-M

CRIMINAL COMPLAINT

I, the complainant in this case, state that the following is true to the best of my knowledge and belief.

On or about the date(s) of March 01, 2013 - May 08, 2013 in the county of Hidalgo in the
Southern District of Texas, the defendant(s) violated:

<i>Code Section</i>	<i>Offense Description</i>
18 USC 1029 (a) (2)	Marcos Escobar, Alexis Guzman and Carlos Gonzalez did knowingly and with intent to defraud traffic in or use one or more unauthorized access devices during any one year period and by such conduct obtained anything of value aggregating \$1,000 or more during that period.

This criminal complaint is based on these facts:

See attached affidavit.

Continued on the attached sheet.

*Approved to File
Terry L. Leonard
Asst U.S. Attorney*

Joe D. Clark
Complainant's signature

Jose Obando, Special Agent, U.S. Secret Service

Printed name and title

Sworn to before me and signed in my presence.

Date: 5/9/2013

Dorina Ramos
Judge's signature

City and state: McAllen, Texas

Dorina Ramos, U.S. Magistrate Judge
Printed name and title

PROBABLE CAUSE AFFIDAVIT

I, Jose Obando, herein referred to as "Affiant," am employed as a Special Agent with the United States Secret Service. Affiant has been employed as a Special Agent since October of 2010. As a Special Agent with the United States Secret Service, Affiant has received extensive training in the areas of financial crimes and access device fraud.

1. This investigation originated in early April 2013, when Affiant received notification from Discover Fraud Investigations concerning a large amount of access device fraud occurring in the Southern District of Texas. A joint investigation with the McAllen Police Department and the U.S. Secret Service was initiated. Review of Discover Card documents revealed the following: At least 120 Discover credit card account numbers have been fraudulently used or attempted to be fraudulently used at various local merchants (to include Wal-Mart, HEB, Stripes) in the Southern District of Texas from March 2013 through April 2013. During this timeframe, over \$29,000 worth of fraudulent charges have been disputed by the true cardholders of these Discover credit card accounts.

2. Review of surveillance video from various Wal-Mart locations in the Southern District of Texas from March 2013 through April 2013 revealed the following: Carlos Gonzalez used at least 3 different counterfeit access devices during this time period and obtained things of value which totaled over \$800. Marcos Escobar used at least 5 different counterfeit access devices during this time period and obtained things of value which totaled over \$670. Alexis Guzman used at least 3 different counterfeit access devices during this time period and obtained things of value which totaled over \$1,300.

3. Review of surveillance video from an HEB store in Mission, TX, during various dates in April 2013 revealed the following: Carlos Gonzalez used at least 4 different counterfeit access devices during this time

period and obtained things of value which totaled over \$490. Marcos Escobar used at least 2 different counterfeit access devices during this time period and obtained things of value which totaled over \$1,100.

4. Review of surveillance video from various Stripes locations in the Southern District of Texas from March 2013 through April 2013 revealed the following: Carlos Gonzalez used at least 7 different counterfeit access devices during this time period and obtained things of value which totaled over \$2,100. Marcos Escobar used at least 1 counterfeit access device during this time period and obtained things of value which totaled over \$190.

5. A query for Carlos Gonzalez in the National Crime Information Center (NCIC) revealed the following criminal history: 12/01/2007 (Houston Police Department) - Theft. 11/29/2008 (College Station Police Department) - Driver License/False ID. 02/02/2009 (U.S. Secret Service, Houston) - Fraud Use/Possession Identifying Info # Items 5 < 10 and Tampering with Government Records-License, Seal, Certificate, Permit. 06/22/2010 (Houston Police Department) - Possession CS PG 1 < 1G. 11/04/2011 (DPS Denton County) - Fail to Identify Fugitive/Intent Give False ID. 01/03/2012 (ICE, Dallas) - Alien Inadmissibility under Section 212. 11/22/2012 (Edinburg Police Department) - Driving While Intoxicated. 01/06/2013 (Edinburg Police Department) - Assault Causes Bodily Injury. 01/24/2013 (Dallas County Sheriff's Office) - Fraud Use/Possession of Identifying Info. 04/06/2013 (McAllen Police Department) - Public Intoxication. 04/13/2013 (DPS Hidalgo County) - Driving While Intoxicated. 04/21/2013 (DPS Hidalgo County) - Driving While Intoxicated.

6. A query for Marcos Escobar in the National Crime Information Center (NCIC) revealed the following criminal history: 10/26/1989 (Montgomery County Police Department) - Deadly Weapon on School Property. 04/11/1991 (Montgomery County Police Department) - Theft. 04/19/1991 (Montgomery County Police Department) - Theft. 11/05/1991 - (Montgomery County Police

Department) - Battery. 03/18/1992 (Montgomery County Police Department) - Burglary. 06/11/1992 (Montgomery County Police Department) - Telephone: Call Repeatedly Abuse. 06/22/1992 (Montgomery County Police Department) - Uttering False Document. 02/03/1994 (Montgomery County Police Department) - Battery. 11/04/1994 (Lake Shores Police Department) - Flight to Avoid Capture (Reference: Robbery with Deadly Weapon). 11/12/1994 (Montgomery County Police Department) - Robbery with Deadly Weapon. 07/01/2000 (Ocean City Police Department) - Life Threat Injury/Vehicle-Boat/Intoxication. 04/16/2002 (Ocean City Police Department) - Controlled Substance: Possession with Intent to Distribute. 04/16/2002 (U.S. INS - Baltimore) - Fraud. 02/13/2003 (Sheriff's Office Worcester County) - Fake Controlled Substance: Possession with Intent to Distribute. 04/10/2005 (Texas Highway Patrol) - Tampering with Government Records-License, Seal, Certificate, Permit. 01/17/2009 (U.S. INS - Border Patrol Harlingen) - Alien Inadmissibility under Section 212. 11/21/2010 (Mission Police Department) - Assault Family/House Member, Impede Breathing/Circulation. 04/21/2013 (DPS Hidalgo County) - Driving While Intoxicated.

7. A query for Alexis Guzman in the National Crime Information Center (NCIC) revealed the following criminal history: 02/18/2010 (Louisville Metro Police Department) - Criminal Possession of Forged Instrument 2nd Degree.

8. It should be noted that on 12/11/2011, Priscila Garcia (Carlos Gonzalez's girlfriend), while operating a vehicle on Interstate 35 was detained via a traffic stop by the Texas Highway Patrol in New Braunfels, TX. A drug sniffing K-9 was utilized during this traffic stop and alerted on the vehicle for narcotics. A subsequent search of the vehicle revealed computer equipment, approximately 30 reloadable debit cards and a magnetic card reader/writer (which is commonly used by individuals engaging in access device fraud to manufacture counterfeit credit cards). (It should be noted that at a later time and date, an Agent from the

U.S. Secret Service San Antonio Field Office determined that 21 of the reloadable debit cards found inside the vehicle were counterfeit access devices). Additionally, 7 MoneyGram receipts (from November 2011 - December 2011) totaling over \$16,000 in wire transfers to Ukraine were also found in the vehicle operated by Priscila Garcia. (It should further be noted that it is common for individuals engaging in access device fraud to purchase stolen credit/debit card account numbers from hackers who originate in countries such as Ukraine, Vietnam and China). During the course of that investigation, an Agent from the U.S. Secret Service San Antonio Field Office completed a forensic examination of the computer equipment seized from Garcia's vehicle. This forensic examination revealed the following: A total of 978 Discover credit card account numbers, 130 Visa credit card account numbers and 38 MasterCard credit card account numbers were found inside the computer equipment seized from Priscila Garcia's vehicle.

9. On 01/21/13, a joint investigation with the McAllen Police Department and the U.S. Secret Service resulted in the arrests of 2 Cuban Nationals, for violations of credit card fraud committed in the McAllen, TX, area. During the course of that investigation, a cooperating source identified Carlos Gonzalez, Marcos Escobar and Alexis Guzman as key players in a sophisticated organized counterfeit credit card organization comprised of Cuban Nationals operating in the Southern District of Texas.

10. On 01/29/13, a joint investigation with the McAllen Police Department and the U.S. Secret Service resulted in the arrests of 2 Cuban Nationals and Priscila Garcia, for violations of credit card fraud committed in the McAllen, TX, area. During the course of that investigation, a cooperating source provided the following information: Carlos Gonzalez, Marcos Escobar and Alexis Guzman are key players in a sophisticated organized counterfeit credit card organization comprised of Cuban Nationals operating in the Southern District of Texas. In late 2011, Priscila Garcia was

transporting a counterfeit credit card plant for Carlos Gonzalez when she was arrested by the Texas Highway Patrol in New Braunfels, TX. All the counterfeit credit cards and counterfeit credit card making equipment seized from Priscila Garcia belonged to Carlos Gonzalez. Carlos Gonzalez has a lot of Cuban Nationals that work for him by committing credit card fraud in the Southern District of Texas. The Cuban Nationals that work for Carlos Gonzalez typically use counterfeit credit cards at local gas stations to purchase diesel and then re-sell the diesel locally. In late January 2013, Marcos Escobar moved counterfeit credit card making equipment belonging to Carlos Gonzalez after Carlos Gonzalez was extradited to Dallas, TX, on an outstanding arrest warrant.

11. On 05/06/2013, a State Judge signed arrest warrants for Carlos Gonzalez, Alexis Guzman and Marcos Escobar for violations of credit card abuse committed in the Southern District of Texas.

12. On 05/07/2013, a State Judge signed search warrants for Marcos Escobar's residence located in Palmhurst, TX, and Alexis Guzman's residence located in McAllen, TX.

13. On 05/08/2013, in a joint operation, the McAllen Police Department and the U.S. Secret Service executed arrest/search warrants at Marcos Escobar's residence located in Palmhurst, TX, and Alexis Guzman's residence located in McAllen, TX. Both Escobar and Guzman were arrested at their respective residences without incident. During the execution of the search warrant conducted at Alexis Guzman's residence, the following items were seized: A computer, local store receipts and 16 counterfeit access devices in the master bathroom which belongs to Alexis Guzman. (It should be noted that when Law Enforcement Officers entered the residence, Alexis Guzman fled inside his bathroom and tried to flush down the toilet the aforementioned 16 counterfeit access devices). During the execution of the search warrant conducted at Marcos Escobar's residence, the following items were seized: Over 60

counterfeit access devices, a computer and a credit card reader/writer (which is commonly used by individuals engaging in access device fraud to manufacture counterfeit access devices).

14. Continuing on 05/08/2013, Law Enforcement Officers attempted to interview Marcos Escobar and Alexis Guzman after advising them of their Miranda Rights. Escobar and Guzman refused to cooperate during their respective interviews.

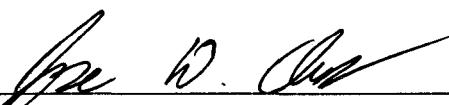
Based on the aforementioned reasons, it is believed that probable cause exists that Carlos Gonzalez, Alexis Guzman and Marcos Escobar have violated Chapter 18 of the United States Code, Section 371 and Section 1029. Carlos Gonzalez, Alexis Guzman and Marcos Escobar did knowingly conspire with at least one other person to defraud the United States by violating Chapter 18 of the United States Code, Section 1029.

Based on the aforementioned facts, it is believed that probable cause exists that Alexis Guzman and Marcos Escobar violated Chapter 18 of the United States Code, Section 1029 (a)(3). Alexis Guzman and Marcos Escobar did knowingly and with intent to defraud possess fifteen or more counterfeit access devices.

Based on the aforementioned facts, it is believed that probable cause exists that Marcos Escobar violated Chapter 18 of the United States Code, Section 1029 (a)(4). Marcos Escobar did knowingly and with intent to defraud, produces, traffics in, has control or custody of, or possesses device-making equipment.

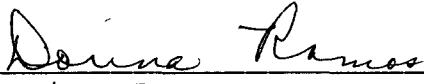
Based on the aforementioned facts, it is believed that probable cause exists that Carlos Gonzalez, Alexis Guzman and Marcos Escobar violated Chapter 18 of the United States Code, Section 1029 (a)(2). Carlos Gonzalez, Alexis Guzman and Marcos Escobar did knowingly and with intent to defraud traffic in or use one or more unauthorized access devices during any one year period and by such conduct obtained anything of value aggregating \$1,000 or more during that period. It

is requested that an arrest warrant be issued for
Gonzalez, Guzman and Escobar.



Jose Obando
Special Agent
United States Secret Service

Subscribed to and sworn before me on this 9th day of
May, 2013.



Dorina Ramos
United States Magistrate Judge